

Message Text

LIMITED OFFICIAL USE

PAGE 01 BRASIL 06218 262116Z

ACTION TRSE-00

INFO OCT-01 ARA-10 ISO-00 EB-08 COME-00 CIAE-00 INR-07

LAB-04 NSAE-00 PA-01 SIL-01 USIA-06 PRS-01 /039 W

-----086406 262124Z /75

P R 262020Z JUL 77

FM AMEMBASSY BRASILIA

TO SECSTATE WASHDC PRIORITY 2977

INFO AMCONSUL RIO DE JANEIRO

AMCONSUL SAO PAULO

LIMITED OFFICIAL USE BRASILIA 6218

EO 11652 NA

TAGS BEXP BR

SUBJECT: CUSTOMS DUTIES PAYMENTS BY BRAZILIAN CONSULATE GENERAL IN
LOS ANGELES

1. SUMMARY: BRAZILIAN CONSUL GENERAL IN LOS ANGELES REPORTED TO
FONMIN THAT HIS OFFICE IS BEING REQUIRED TO PAY CUSTOMS DUTIES ON
GOODS ENTERING THE US FOR TRADE FAIRS. EMBASSY REQUESTS DEPT.
LOOK INTO THE MATTER AGAIN, PARTICULARLY WITH A VIEW OF INSURING
RECIPROCAL CUSTOMS EXEMPTION FOR EXHIBITS OFF THE US TRADE
CENTER IN SAO PAULO. END SUMMARY.

2. RUBEM AMARAL, CHIEF OF THE DIVISION OF FAIRS AND TOURISM IN THE
FONMIN AND THE EMBASSY'S PRINCIPAL FONMIN CONTACT ON US TRADE
CENTER MATTERS, CALLED IN EMBOFF LATE AFTERNOON OF JULY 25 TO
PROVIDE ORAL BRIEFING BASED UPON A MESSAGE CLASSIFIED "CONFIDENTIAL"
THAT THE BRAZILIAN CONSUL GENERAL IN LOS ANGELES RECENTLY SENT THE
FONMIN. HIGHLIGHTS OF THE MESSAGE FOLLOW:

A. THE TRADE SECTION OF THE CONSULATE GENERAL IS BEING REQUIRED TO
PAY CUSTOMS DUTIES ON GOODS ENTERING THE US IN LOS ANGELES FOR
DISPLAY IN TRADE FAIRS. THE PAYMENT OF CUSTOMS DUTIES IS DUE
EXCLUSIVELY TO THE FACT THAT THE DEPARTMENT OF STATE DENIED DUTY-
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BRASIL 06218 262116Z

FREE CLEARANCE FOR THE SAMPLES FOR THE EXHIBITS PROMOTED BY THE
TRADE SECTION. IN THE CASE OF THE NATIONAL FASHIO AND BOUTIQUE
SHOW, WHICH TOOK PLACE IN FEBRUARY 1977, THE CUSTOMS BUREAU
WOULD HAVE RETURNED THE DUTIES ALREADY COLLECTED IF THE DEPARTRMENT
OF STATE HAD SO AUTHORIZED, WHICH DID NOT OCCUR.

B. THE BRAZILIAN EMBASSY IN WASHINGTON TOOK THE MATTER UP WITH THE

DEPARTMENT OF STATE AND WAS INFORMED IN THE LAST PARAGRAPH OF A NOTE:

"THE DEPARTMENT IS ABLE TO ARRANGE FOR THE FREE ENTRY OF ARTICLES, IN ACCORDANCE WITH THE PROVISIONS OF ITEM 842.10 OF THE TARIFF SCHEDULES OF THE UNITED STATES, WHICH ARE AND WILL REMAIN THE PROPERTY OF A FOREIGN GOVERNMENT PROVIDED THEY ARE USED FOR NONCOMMERCIAL (SIC) PURPOSES. SINCE THE SUBJECT SAMPLES WERE DISPLAYED AT A VENTURE CONSIDERED TO BE COMMERCIAL, FREE ENTRY UNDER THE CITED AUTHORITY IS NOT APPROPRIATE, AND THE DEPARTMENT IS THEREFORE UNABLE TO ACCEDE TO THE EMBASSY'S REQUEST." (AMARAL PROVIDED COPY OF THIS PARAGRAPH IN ENGLISH.)

C. THE CONSUL GENERAL IN LOS ANGELES THEN DISCUSSED THE MATTER WITH THE DISTRICT CUSTOMS CHIEF IN LOS ANGELES, WHO SAID IT WOULD BE HARD TO ARRIVE AT A FAVORABLE SOLUTION IN VIEW OF THE POSITION OF THE STATE DEPARTMENT. THE CONSUL GENERAL ALSO DISCUSSED THE MATTER WITH THE DISTRICT CHIEF OF THE DEPARTMENT OF COMMERCE IN LOS ANGELES, WHO EXPRESSED SURPRISE AT THE POSITION OF STATE AND ASKED HIS HEADQUARTERS TO GET IN TOUCH WITH STATE TO ARRANGE THE FREE ENTRY OF GOODS ON THE BASIS OF RECIPROCITY.

3. AMARAL SAID THE CONSULATE GENERAL IN LOS ANGELES WAS THE ONLY BRAZILIAN CONSULATE IN THE US TO HAVE PROBLEMS WITH CUSTOMS DUTIES AND SPECIFICALLY MENTIONED THE CONSULATE GENERAL IN NEW YORK AS HAVING HAD NO PROBLEMS.

4. AMARAL CITED THE EXCHANGE OF NOTES BETWEEN THE EMBASSY AND LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 BRASIL 06218 262116Z

THE FONMIN CONCERNING THE US:TRADE CENTER IN SAO PAULO, PARTICULARLY THE FOLLOWING PASSAGES:

A. US EMBASSY NOTE NO. 30, JANUARY 20, 1976:

"THE EMBASSY WISHES TO POINT OUT, WITH RESPECT TO THE QUESTION OF RECIPROCITY, THAT UNDER THE US TRADE FAIR ACT OF 1959, OPERATORS OF TRADE EXHIBITIONS IN THE UNITED STATES AT WHICH FOREIGN GOODS ARE DISPLAYED MAY BE GRANTED DUTY AND TAZ FREE ENTRY UNDER BONDED PROCEDURES FOR SUCH GOODS PROVIDED APPLICATION IS MADE TO AND APPROVED BY THE DEPARTMENT OF COMMERCE. FOREIGN GOVERNMENTS SPONSORING TRADE EXHIBITIONS IN THE UNITED STATES MAY APPLY THROUGH THEIR EMBASSIES FOR DESIGNATION AS OPERATORS OF FAIRS UNDER THE ACT. FURTHERMORE, TRADE CENTERS OPERATED BY FOREIGN GOVERNMENTS IN THE UNITED STATES MAY QUALIFY AS TRADE FAIRS TO RECEIVE THE PRIVILEGES AFFORDED BY THE ACT."

B. BRAZILIAN FONMIN NOTE OF JUNE 22, 1976:

"...O GOVERNO BRASILEIRO DECIDIU, EM ESPECIAL ATENCAO AO GOVERNO DOS ESTADOS UNIDOS DA AMERICA, E COM BASE NO PRINCIPIO DE RECIPROCIDADE, CONCEDER AUTORIZACAO PARA A INSTALACAO DO REFERIDO

TRADE CENTER...."(INFORMAL EMBASSY TRANSLATION:
"...THE BRAZILIAN GOVERNMENT, WITH SPECIAL ATTENTION TO THE GOVERN-
MENT
OF THE UNITED STATES OF AMERICA AND ON THE BASIS OF THE PRINCIPLE
OF RECIPROCITY, GRANTS AUTHORIZATION FOR THE INSTALLATION OF THE
ABOVE-MENTIONED TRADE CENTER....)"

5. AMARAL AS USUAL WAS CORDIAL AND BUSINESSLIKE, BUT HE DID
POINT OUT THE LINKAGE BETWEEN THE TREATMENT AFFORDED THE BRAZILIAN
CONSULATE IN LOS ANGELES AND THE USFC IN SAO PAULO. IN A POSSIBLY
RELATED MATTER, THE EMBASSY IS CONCERNED ABOUT THE UNEXPECTED
DELAY IN THE ISSUANCE OF THE DECLARATORY ACT WHICH IS NECESSARY
FOR THE SHIPMENT OF GOODS FOR THE USFC SHOW OPENING SEPTEMBER 12.
IN PREVIOUS CONVERSATIONS WITH FINANCE MINISTRY OFFICIALS DRAFTING
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 BRASIL 06218 262116Z

THE ACT, WE HAD BEEN ASSURED THAT ONLY MINOR DETAILS REMAINED TO
BE WORKED OUT AND THE FINAL VERSION WOULD SOON BE FORTHCOMING.

6. EMBASSY REQUESTS THE DEPT REVIEW THIS MATTER URGENTLY AND
SYMPATHETICALLY, IN THE LIGHT OF THE TRADE FAIR ACT OF 1959
(PUBLIC LAW 86-14). PLEASE ADVISE.
RUSER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Sent Date: 26-Jul-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977BRASIL06218
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770266-1114
Format: TEL
From: BRASILIA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770720/aaaaaqvj.tel
Line Count: 143
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 42000e64-c288-dd11-92da-001cc4696bcc
Office: ACTION TRSE
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 06-Dec-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1753213
Secure: OPEN
Status: NATIVE
Subject: CUSTOMS DUTIES PAYMENTS BY BRAZILIAN CONSULATE GENERAL IN LOS ANGELES
TAGS: BEXP, BR
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/42000e64-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009